BILL ANALYSIS

Senate Research Center 89R17310 DRS-F H.B. 3680 By: Gámez et al. (Hinojosa, Adam) Local Government 5/21/2025 Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

In 1995, the Texas Legislature passed standards for subdivision development that were focused on the 28 counties that share a border with Mexico. The intent of the legislation was to ensure that the proliferation of substandard housing developments was curtailed. Subsequent changes to the statute extended the rules to Nueces County.

The laws require that the owners of certain types of properties, in tracts of less than 10 acres, have to certify their parcels of land with surveying and engineering, and either build or bond for water and sewer services to those parcels. The legislation also imparts strict civil and criminal penalties for selling or marketing for sale a property that has not been affirmed to meet all the required conditions. For example, some prosecuted cases have hit property owners and their representatives with fines in excess of \$100,000.

Some property owners who are subject to state-imposed model subdivision rules face difficulty in or outright prohibition from selling their property, due to their inability to afford the engineering services and subsequent infrastructure improvements. Constituents have expressed concern and frustration with the lack of options available to help them sell their land in these circumstances.

H.B. 3680 makes several changes to the Local Government Code, applicable only to Cameron County, to allow for limited local discretion in determining that the requirements of the model subdivision rules have been met, and to allow buyers to install the required infrastructure improvements in some limited circumstances. The bill does not change the health and safety requirements that apply to those properties, such as ensuring adequate drainage, wastewater systems, and road access are installed.

H.B. 3680 amends current law relating to subdivision plat requirements in certain counties, authorizes a fee, authorizes a civil penalty, and creates a criminal offense.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 212.012 (d), Local Government Code, as follows:

(d) Authorizes an entity described by Subsection (b) (relating to the entities to which a prohibition on servicing or connecting any land with utility services applies), in a county to which Subchapter B (Regulation of Property Development) or G, Chapter 232 (Subdivision Platting Requirements in General), applies, to serve or connect land with water, sewer, electricity, gas, or other utility service that is located in the extraterritorial jurisdiction of a municipality regardless of whether the entity is presented with or otherwise holds a certificate applicable to the land issued under Section 212.0115 (Certification Regarding Compliance With Plat Requirements), if the municipal authority responsible for approving plats issues a certificate stating that the land meets certain circumstances.

- SECTION 2. Amends Section 232.0015(b), Local Government Code, to provide that, except as provided by Section 232.0013 (Chapter-Wide Provision Relating to Regulation of Plats and Subdivisions In Extraterritorial Jurisdiction), Subchapter A (Subdivision Platting Requirements in General) does not apply to a subdivision of land to which Subchapter B or G applies.
- SECTION 3. Amends Section 232.022, Local Government Code, by amending Subsection (a) and adding Subsection (a-1), as follows:
 - (a) Creates an exception under Subsection (a-1).
 - (a-1) Provides that Subchapter B (Subdivision Platting Requirements in County Near International Border) does not apply to a county to which Subchapter G applies.
- SECTION 4. Amends Section 232.071, Local Government Code, to provide that Subchapter C (Subdivision Platting Requirements in Certain Economically Distressed Counties) applies only to the subdivision of land located in a county to which Subchapters B and G do not apply and to make nonsubstantive changes.
- SECTION 5. Amends Section 232.091, Local Government Code, to provide that Subchapter D (County Planning Commission) applies only to a county authorized to establish a planning commission under Subchapter B, C, or G and to make nonsubstantive changes.
- SECTION 6. Amends Chapter 232, Local Government Code, by adding Subchapter G, as follows:

SUBCHAPTER G. SUBDIVISION PLATTING REQUIREMENTS IN CERTAIN COUNTIES NEAR INTERNATIONAL BORDER AND GULF OF MEXICO

Sec. 232.201. DEFINITIONS. Defines "board," "common promotional plan," "executive administrator," "floodplain," "lease," "lot," "lot of record," "minimum state standards," "plat," "sell," "sewer," "sewer services," "sewer facilities," "subdivide," "subdivide," "subdivision," and "utility."

Sec. 232.202. APPLICABILITY. (a) Provides that this subchapter applies only to a county that borders the United Mexican States and the Gulf of Mexico.

- (b) Provides that this subchapter applies only to land that is subdivided into two or more lots of which at least one lot is less than five acres in area. Provides that this subchapter does not apply if the subdivision is incident to the conveyance of the land as a gift between persons related to each other within the third degree by affinity or consanguinity, as determined under Chapter 573 (Definitions), Government Code or has received an exemption from a county under Section 16.350(d), Water Code.
- (c) Provides that, except as provided by Subsection (d), for purposes of this section, land is considered to be in the jurisdiction of a county if the land is located in the county and outside the corporate limits of municipalities.
- (d) Provides that land in a municipality's extraterritorial jurisdiction is not considered to be in the jurisdiction of a county for purposes of this section if the municipality and the county have entered into a written agreement under Section 242.001 (Regulation of Subdivisions in Extraterritorial Jurisdiction Generally) that authorizes the municipality to regulate subdivision plats and approve related permits in the municipality's extraterritorial jurisdiction.
- (e) Provides that this subchapter does not apply if all of the lots of the subdivision are five acres or more in area.

- Sec. 232.203. PLAT REQUIRED. (a) Requires a subdivider of land to have a plat of the subdivision prepared if at least one of the lots of the subdivision is less than five acres. Authorizes a commissioners court to require each subdivider of land to prepare a plat if none of the lots is less than five acres but at least one of the lots of a subdivision is more than five acres but not more than 10 acres.
 - (b) Provides that a subdivision of a tract under this section includes a subdivision of real property by any method of conveyance, including a contract for deed, oral contract, contract of sale, or other type of executory contract, regardless of whether the subdivision is made by using a metes and bounds description.
 - (c) Requires that a plat required under this section:
 - (1) be certified by a surveyor or engineer registered to practice in this state;
 - (2) define the subdivision by metes and bounds;
 - (3) locate the subdivision with respect to an original corner of the original survey of which it is a part;
 - (4) describe each lot, number each lot in progression, and give the dimensions of each lot;
 - (5) state the dimensions of and accurately describe each lot, street, alley, square, park, or other part of the tract intended to be dedicated to public use or for the use of purchasers or owners of lots fronting on or adjacent to the street, alley, square, park, or other part;
 - (6) include or have attached a document containing a description in English and Spanish of the water and sewer facilities and roadways and easements dedicated for the provision of water and sewer facilities that will be constructed or installed to service the subdivision and a statement specifying the date by which the facilities will be fully operable;
 - (7) have attached a document prepared by an engineer registered to practice in this state certifying that the water and sewer service facilities proposed under Subdivision (6) are in compliance with the model rules adopted under Section 16.343 (Minimum State Standards and Model Political Subdivision Rules), Water Code, and a certified estimate of the cost to install water and sewer service facilities;
 - (8) provide for drainage in the subdivision to avoid concentration of storm drainage water from each lot to adjacent lots, provide positive drainage away from all buildings, and coordinate individual lot drainage with the general storm drainage pattern for the area;
 - (9) include a description of the drainage requirements as provided in Subdivision (8);
 - (10) identify the topography of the area;
 - (11) include a certification by a surveyor or engineer registered to practice in this state describing any area of the subdivision that is in a floodplain or stating that no area is in a floodplain; and
 - (12) include certification that the subdivider has complied with the requirements of Section 232.216 and that:

- (A) the water quality and connections to the lots meet, or will meet, the minimum state standards;
- (B) sewer connections to the lots or septic tanks meet, or will meet, the minimum requirements of state standards;
- (C) electrical connections provided to the lot meet, or will meet, the minimum state standards; and
- (D) gas connections, if available, provided to the lot meet, or will meet, the minimum state standards.
- (d) Authorizes a subdivider to meet the requirements of Subsection (c)(12)(B) through the use of a certificate issued by the appropriate county or state official having jurisdiction over the approval of septic systems stating that lots in the subdivision can be adequately and legally served by septic systems.
- (e) Requires the subdivider of the tract to acknowledge the plat by signing the plat and attached documents and attest to the veracity and completeness of the matters asserted in the attached documents and in the plat.
- (f) Requires that the plat be filed and recorded with the county clerk of the county in which the tract is located. Provides that plat is subject to the filing and recording provisions of Section 12.002 (Subdivision Plat; Penalty), Property Code.
- (g) Authorizes the commissioners court to require a plat application submitted for approval to include a digital map that is compatible with other mapping systems used by the county and that georeferences the subdivision plat and related public infrastructure using the Texas Coordinate Systems adopted under Section 21.071 (Adoption of Coordinate Systems), Natural Resources Code. Provides that a digital map required under this subsection is authorized to be required only in a format widely used by common geographic information system software. Requires that a requirement adopted under this subsection provide for an exemption from the requirement if the subdivider of the tract submits with the plat application an acknowledged statement indicating that the digital mapping technology necessary to submit a map that complies with this subsection was not reasonably accessible.
- Sec. 232.204. EXCEPTIONS TO PLAT REQUIREMENT. (a) Prohibits a county from requiring the owner of a tract of land located outside the limits of a municipality who divides the tract into two or more parts to have a plat of the subdivision prepared if the lots are sold to adjoining landowners and the lots are added to the adjoining parcel of land owned by the purchasers.
 - (b) Requires the purchaser of a lot described by Subsection (a) to provide to the commissioners court a metes and bounds description of the adjoining parcel of land owned by the purchaser that has been updated to reflect the addition of the purchased lot to the adjoining parcel of land.
 - (c) Authorizes a county, subject to Subsection (d), in its sole discretion and on a determination that good cause exists, to grant an exception to the plat requirements of this subchapter for an individual lot that the county determines meets certain criteria.
 - (d) Requires the commissioners court, before granting an exception under Subsection (c), to make a finding that specifies the reasons for the court's determination that good cause exists to grant the exception and the lot meets the requirements for the exception under Subsection (c).

- (e) Requires the commissioners court to enter in the record of the court's proceedings the court's findings under Subsection (d) and the information submitted to the court to support the court's determination under Subsection (c).
- (f) Authorizes the commissioners court to adopt rules and procedures necessary to administer and enforce this section.
- Sec. 232.205. APPROVAL BY COUNTY REQUIRED. (a) Provides that a plat filed under Section 232.203 is not valid unless the commissioners court of the county in which the land is located approves the plat by an order entered in the minutes of the court. Requires the commissioners court to refuse to approve a plat if it does not meet the requirements prescribed by or under this subchapter or if any bond required under this subchapter is not filed with the county clerk.
 - (b) Prohibits the commissioners court, if any part of a plat applies to land intended for residential housing and any part of that land lies in a floodplain, from approving the plat unless the subdivision is developed in compliance with the minimum requirements of the National Flood Insurance Program and local regulations or orders adopted under Section 16.315 (Political Subdivisions; Compliance With Federal Requirements), Water Code, and the plat evidences a restrictive covenant prohibiting the construction of residential housing in any area of the subdivision that is in a floodplain unless the housing is developed in compliance with the minimum requirements of the National Flood Insurance Program and local regulations or orders adopted under Section 16.315, Water Code.
 - (c) Requires the county clerk, on request, to provide the attorney general or the Texas Water Development Board a copy of each plat that is approved under this subchapter or the reasons in writing and any documentation that support a variance granted under Section 232.226.
 - (d) Authorizes the commissioners court of the county in which the land is located to establish a planning commission as provided by Subchapter D. Provides that the planning commission, including its findings and decisions, is subject to the same provisions applicable to the commissioners court under this subchapter, including Section 232.218 relating to conflicts of interest.
- Sec. 232.206. DELEGATION OF APPROVAL RESPONSIBILITY. (a) Authorizes the commissioners court of a county or the court's designee to delegate to one or more officers or employees of the county the ability to approve, approve with conditions, or disapprove a plat that is amending a plat under Section 232.011 or involves four or fewer lots that each meet the requirements under Section 232.204(c).
 - (b) Provides that an applicant has the right to appeal to the commissioners court or the court's designee if the designated person disapproves a plat.
- Sec. 232.207. SUBDIVISION REQUIREMENTS. Requires the commissioners court, by an order adopted and entered in the minutes of the commissioners court, and after a notice is published in English and Spanish in a newspaper of general circulation in the county, for each subdivision to:
 - (1) require a right-of-way on a street or road that functions as a main artery in a subdivision, of a width of not less than 50 feet or more than 100 feet;
 - (2) require a right-of-way on any other street or road in a subdivision of not less than 40 feet or more than 70 feet;
 - (3) require that the shoulder-to-shoulder width on collectors or main arteries within the right-of-way be not less than 32 feet or more than 56 feet, and that the

shoulder-to-shoulder width on any other street or road be not less than 25 feet or more than 35 feet;

- (4) adopt, based on the amount and kind of travel over each street or road in a subdivision, reasonable specifications relating to the construction of each street or road;
- (5) adopt reasonable specifications to provide adequate drainage for each street or road in a subdivision in accordance with standard engineering practices;
- (6) require that each purchase contract made between a subdivider and a purchaser of land in the subdivision contain a statement describing how and when water, sewer, electricity, and gas services will be made available to the subdivision; and
- (7) require that the subdivider of the tract execute a bond in the manner provided by Section 232.209.
- Sec. 232.208. WATER AND SEWER SERVICE EXTENSION. (a) Authorizes the commissioners court to extend, beyond the date specified on the plat or on the document attached to the plat, the date by which the water and sewer service facilities are required to be fully operable if the commissioners court finds the extension is reasonable and not contrary to the public interest.
 - (b) Prohibits the commissioners court from granting an extension under Subsection (a) if it would allow an occupied residence to be without water or sewer services.
 - (c) Requires the commissioners court, if the commissioners court provides an extension, to notify the attorney general of the extension and the reason for the extension. Requires the attorney general to notify all other state agencies having enforcement power over subdivisions of the extension.
- Sec. 232.209. BONDS REQUIREMENTS. (a) Provides that, except as provided by Subsection (c), unless a person has completed the installation of all water and sewer service facilities required by this subchapter on the date that person applies for final approval of a plat under Section 232.205, the commissioners court is required to require the subdivider of the tract to execute and maintain in effect a bond or, in the alternative, a person is authorized to make a cash deposit in an amount the commissioners court determines will ensure compliance with this subchapter. Prohibits a person from meeting the requirements of this subsection through the use of a letter of credit unless that letter of credit is irrevocable and issued by an institution guaranteed by the FDIC. Requires the subdivider to comply with the requirement before subdividing the tract.
 - (b) Requires that a bond required by this section, for a bond for construction of water and sewer service facilities, be conditioned on the construction or installation of facilities that will be in compliance with the model rules adopted under Section 16.343, Water Code.
 - (c) Authorizes the commissioners court, in its sole discretion, to allow a person to stop maintaining a bond for construction of sewer service facilities under this section for a lot that does not have an installed sewer service facility if:
 - (1) the person has completed the installation of all water facilities and roads and streets required by this subchapter;
 - (2) the owner of the lot has not resided on the lot for a period of 60 months after the date of execution of the deed to the owner;

- (3) the person delivers to the commissioners court an affidavit as described by Subsection (d) from the owner; and
- (4) the lot has sufficient space to accommodate a sewage facility that complies with Chapter 366 (On-Site Sewage Disposal Systems), Health and Safety Code, and the construction standards for On-Site Sewage Facilities adopted by the Texas Commission on Environmental Quality and other law and rules applicable to sewage facilities.
- (d) Requires that the affidavit under Subsection (c)(3) include certain language. Sets forth the language required to be intended in the affidavit.
- Sec. 232.210. CERTIFICATION REGARDING COMPLIANCE WITH PLAT REQUIREMENTS. (a) Requires the commissioners court, on the approval of a plat by the commissioners court, to issue to the person applying for the approval a certificate stating that the plat has been reviewed and approved by the commissioners court.
 - (b) Requires the commissioners court, on the commissioners court's own motion or on the written request of a subdivider, an owner or resident of a lot in a subdivision, or an entity that provides a utility service, to make the following determinations regarding the land in which the entity or commissioners court is interested that is located within the jurisdiction of the county:
 - (1) whether a plat has been prepared and whether it has been reviewed and approved by the commissioners court;
 - (2) whether water service facilities have been constructed or installed to service the lot or subdivision under Section 232.203 and are fully operable;
 - (3) whether sewer service facilities have been constructed or installed to service the lot or subdivision under Section 232.203 and are fully operable, or if septic systems are used, whether the lot is served by a permitted on-site sewage facility or lots in the subdivision can be adequately and legally served by septic systems under Section 232.203; and
 - (4) whether electrical and gas facilities, if available, have been constructed or installed to service the lot or subdivision under Section 232.203.
 - (c) Requires that the request made under Subsection (b) identify the land that is the subject of the request.
 - (d) Requires the commissioners court, whenever a request is made under Subsection (b), to issue the requesting party a written certification of its determinations under that subsection.
 - (e) Requires the commissioners court to make its determinations within 20 days after the date it receives the request under Subsection (b) and issue the certificate, if appropriate, within 10 days after the date the determinations are made.
 - (f) Authorizes the commissioners court to adopt rules it considers necessary to administer its duties under this section.
 - (g) Authorizes the commissioners court to impose a fee for a certificate issued under this section for a subdivision which is located in the county and not within the limits of a municipality. Authorizes the amount of the fee to be the greater of \$30 or the amount of the fee imposed by the municipality for a subdivision that is located entirely in the extraterritorial jurisdiction of the municipality for a certificate issued under Section 212.0115. Provides that a person who obtains a

certificate under this section is not required to obtain a certificate under Section 212.0115.

Sec. 232.211. CONNECTION OF UTILITIES. (a) Prohibits a utility, except as provided by Subsection (c) or Section 232.221(c), from serving or connecting any subdivided land with water or sewer services unless the utility receives a certificate issued by the commissioners court under Section 232.210(a) or receives a determination from the commissioners court under Section 232.210(b)(1) that the plat has been reviewed and approved by the commissioners court.

- (b) Authorizes an electric, gas, water, or sewer service utility to serve or connect subdivided land with water, sewer, electricity, gas, or other utility service regardless of whether the utility receives a certificate issued by the commissioners court under Section 232.210(a) or receives a determination from the commissioners court under Section 232.210(b) if the utility is provided with a certificate issued by the commissioners court that states that:
 - (1) the subdivided land meets certain requirements;
 - (2) the subdivided land is a lot of record and has adequate sewer services installed that are fully operable to service the lot or dwelling, as determined by an authorized agent responsible for the licensing or permitting of on-site sewage facilities under Chapter 366, Health and Safety Code; or
 - (3) the land was not subdivided after September 1, 1995, and water service is available within 750 feet of the subdivided land or water service is available more than 750 feet from the subdivided land and the extension of water service to the land may be feasible, subject to a final determination by the water service provider.
- (c) Provides that a utility is authorized to provide utility service to subdivided land described by Subsection (b)(1), (2), or (3) only if the person requesting service is not the land's subdivider or the subdivider's agent and provides to the utility a certificate described by Subsection (b).
- (d) Provides that a person requesting service is authorized to obtain a certificate under Subsection (b)(1), (2), or (3) only if the person is the owner or purchaser of the subdivided land and provides to the commissioners court documentation containing certain documentation and evidence.
- (e) Requires the commissioners court, on request, to provide to the attorney general and any appropriate local, county, or state law enforcement official a copy of any document on which the commissioners court relied in determining the legality of providing service.
- (f) Prohibits this section from being construed to abrogate any civil or criminal proceeding or prosecution or to waive any penalty against a subdivider for a violation of a state or local law, regardless of the date on which the violation occurred.
- (g) Prohibits the prohibition established by this section from prohibiting a water, sewer, electric, or gas utility from providing water, sewer, electric, or gas utility connection or service to a lot sold, conveyed, or purchased through a contract for deed or executory contract or other device by a subdivider prior to July 1, 1995, or September 1, 1999, if on August 31, 1999, the subdivided land was located in the extraterritorial jurisdiction of a municipality that has adequate sewer services installed that are fully operable to service the lot, as determined by an authorized agent responsible for the licensing or permitting of on-site sewage facilities under

Chapter 366, Health and Safety Code, and was subdivided by a plat approved prior to September 1, 1989.

- (h) Defines "foundation."
- (i) Provides that a utility that does not hold a certificate issued by, or has not received a determination from, the commissioners court under Section 232.210 to serve or connect subdivided property with water, sewer, electricity, or gas, subject to Subsections (j) and (k), to provide that service to a single-family residential dwelling on that property if certain conditions are met.
- (j) Provides that a utility is authorized to provide service under Subsection (i) only if the person requesting the service provides to the commissioners court documentation that evidences compliance with the requirements of Subsection (i) and that is satisfactory to the commissioners court.
- (k) Prohibits a utility from serving or connecting subdivided property as described by Subsection (i) if, on or after September 1, 2007, any existing improvements on that property are modified.
- (l) Provides that, except as provided by Subsection (m), this section does not prohibit a water or sewer utility from providing water or sewer utility connection or service to a residential dwelling that meets certain criteria.
- (m) Prohibits a utility from serving any subdivided land with water utility connection or service under Subsection (l) unless the entity receives a determination from the county commissioners court under Section 232.210(b)(3) that adequate sewer services have been installed to service the lot or dwelling.
- (n) Authorizes the commissioners court to impose a fee for a certificate issued under this section for a subdivision which is located in the county and not within the limits of a municipality. Authorizes the amount of the fee to be the greater of \$30 or the amount of the fee imposed by the municipality for a subdivision that is located entirely in the extraterritorial jurisdiction of the municipality for a certificate issued under Section 212.0115. Provides that a person who obtains a certificate under this section is not required to obtain a certificate under Section 212.0115.
- Sec. 232.212. SUBDIVISION REGULATION; COUNTY AUTHORITY. (a) Requires the commissioners court for each county to adopt and enforce the model rules developed under Section 16.343, Water Code.
 - (b) Prohibits the commissioners court, except as provided by Section 16.350(d), Water Code, or Section 232.226 or 232.227 of this code, from granting a variance or adopt regulations that waive any requirements of this subchapter.
 - (c) Requires the commissioners court to adopt regulations setting forth requirements for:
 - (1) potable water sufficient in quality and quantity to meet minimum state standards;
 - (2) solid waste disposal meeting minimum state standards and rules adopted by the county under Chapter 364 (County Solid Waste), Health and Safety Code;
 - (3) sufficient and adequate roads that satisfy the standards adopted by the county;
 - (4) sewer facilities meeting minimum state standards;

- (5) electric service and gas service; and
- (6) standards for flood management meeting the minimum standards set forth by the Federal Emergency Management Agency under the National Flood Insurance Act of 1968 (42 U.S.C. Section 4001 et seq.).
- (d) Authorizes the commissioners court, in adopting regulations under Subsection (c)(2), to allow one or more commercial providers to provide solid waste disposal services as an alternative to having the service provided by the county.
- Sec. 232.213. COUNTY INSPECTOR. (a) Authorizes the commissioners court to impose a fee on a subdivider of property under this subchapter for an inspection of the property to ensure compliance with the subdivision regulations adopted under this subchapter, Section 16.343, Water Code, or other law.
 - (b) Provides that fees collected under this section are authorized to be used only to fund inspections conducted under this section.
- Sec. 232.214. REQUIREMENTS PRIOR TO SALE OR LEASE. (a) Prohibits a subdivider from selling or leasing land in a subdivision first platted or replatted after July 1, 1995, unless the subdivision plat is approved by the commissioners court in accordance with Section 232.205.
 - (b) Requires a subdivider, not later than the 30th day after the date a lot is sold, to record with the county clerk all sales contracts, including the attached disclosure statement required by Section 232.217, leases, and any other documents that convey an interest in the subdivided land.
 - (c) Provides that a document filed under Subsection (b) is a public record.
- Sec. 232.215. NOTICE OF WATER AND WASTEWATER REQUIREMENTS BY POLITICAL SUBDIVISIONS. (a) Provides that this section applies only to a county or other political subdivision located in the county that sells real property under Section 34.01 (Sale of Property), Tax Code; or taken by virtue of a writ of execution under Section 3, Part VI, Texas Rules of Civil Procedure, and Chapter 34 (Tax Sales Redemption), Civil Practice and Remedies Code.
 - (b) Requires a county or other political subdivision located in the county to include in the public notice of sale of the property and the deed conveying the property a certain statement. Sets forth the required language of the statement. Sets forth the required language of the statement.
 - (c) Requires that the statement required by Subsection (b) be printed in English and Spanish and in 14-point boldface type or 14-point uppercase typewritten letters and read aloud at the sale, in English and Spanish, by an agent of the county.
 - (d) Provides that a sale conducted in violation of this section is void.
- Sec. 232.216. SERVICES PROVIDED BY SUBDIVIDER. Requires a subdivider having an approved plat for a subdivision to finish certain services and make reasonable effort to have certain utility services installed by a utility.
- Sec. 232.217. ADVERTISING STANDARDS AND OTHER REQUIREMENTS BEFORE SALE; OFFENSE. (a) Provides that brochures, publications, and advertising of any form relating to subdivided land are prohibited from containing any misrepresentation and, except for a for-sale sign posted on the property that is no larger than three feet by three feet, are required to accurately describe the availability of water and sewer service facilities and electric and gas utilities.

- (b) Requires the subdivider to provide a copy in Spanish of all written documents relating to the sale of subdivided land under an executory contract, including the contract, disclosure notice, and annual statement required by this section and a notice of default required by Subchapter D, Chapter 5 (Conveyances), Property Code, if negotiations that precede the execution of the executory contract are conducted primarily in Spanish or the purchaser requests the written documents to be provided in Spanish.
- (c) Requires the subdivider, before an executory contract is signed by the purchaser, to provide the purchaser with a written notice, which is required to be attached to the executory contract, informing the purchaser of the condition of the property that is required, at a minimum, to be executed by the subdivider and purchaser, to be acknowledged, and contain certain language. Sets forth the required language of the notice.
- (d) Requires the subdivision to provide any purchaser who is sold a lot under an executory contract with an annual statement in January of each year for the term of the executory contract. Requires that the statement, if the subdivider mails the statement to the purchaser, to be postmarked not later than January 31.
- (e) Requires that the statement under Subsection (d) include certain information.
- (f) Authorizes the purchaser, if the subdivider fails to comply with Subsections (d) and (e), to notify the subdivider that the purchaser has not received the statement and will deduct 15 percent of each monthly payment due until the statement is received and not earlier than the 25th day after the date the purchaser provides the subdivider notice under this subsection, deduct 15 percent of each monthly payment due until the statement is received by the purchaser.
- (g) Provides that a purchaser who makes a deduction under Subsection (f) is not required to reimburse the subdivider for the amount deducted.
- (h) Provides that a person who is a seller of lots in a subdivision, or a subdivider or an agent of a seller or subdivider, commits an offense if the person knowingly authorizes or assists in the publication, advertising, distribution, or circulation of any statement or representation that the person knows is false concerning any subdivided land offered for sale or lease. Provides that an offense under this section is a Class A misdemeanor.
- (i) Provides that a person who holds a real estate broker's or sales agent's license under Chapter 1101 (Real Estate Brokers and Sales Agents), Occupations Code, acting in the person's capacity as a real estate broker or sales agent, other than a person who is a director, officer, or employee of the seller or subdivider or who is otherwise affiliated with the seller or subdivider, is not an agent of a seller or subdivider for purposes of this section.

Sec. 232.218. CONFLICT OF INTEREST; PENALTY. (a) Defines "subdivided tract."

- (b) Provides that a person has an interest in a subdivided tract if the person certain criteria.
- (c) Provides that a person also is considered to have an interest in a subdivided tract if the person is related in the second degree by consanguinity or affinity, as determined under Chapter 573 (Degrees of Relationship; Nepotism Prohibitions), Government Code, to a person who, under Subsection (b), has an interest in the tract.
- (d) Provides that, if a member of the commissioners court has an interest in a subdivided tract, the member is required to file, before a vote or decision

regarding the approval of a plat for the tract, an affidavit with the county clerk stating the nature and extent of the interest and is required to abstain from further participation in the matter. Requires that the affidavit be filed with the county clerk.

- (e) Provides a member of the commissioners court of a county commits an offense if the member violates Subsection (d). Provides that an offense under this subsection is a Class A misdemeanor.
- (f) Provides that the finding by a court of a violation of this section does not render voidable an action of the commissioners court unless the measure would not have passed the commissioners court but for the vote of the member who violated this section.
- (g) Provides that a conviction under Subsection (e) constitutes official misconduct by the member and is grounds for removal from office.

Sec. 232.219. CIVIL PENALTIES. (a) Prohibits a subdivider or an agent of a subdivider from causing, suffering, allowing, or permitting a lot to be sold in a subdivision if the subdivision has not been platted as required by this subchapter.

- (b) Prohibits a subdivider or an agent of a subdivider, notwithstanding any other remedy at law or equity, from causing, suffering, allowing, or permitting any part of a subdivision over which the subdivider or an agent of the subdivider has control, or a right of ingress and egress, to become a public health nuisance as defined by Section 341.011 (Nuisance), Health and Safety Code.
- (c) Provides that a subdivider who fails to provide, in the time and manner described in the plat, for the construction or installation of water or sewer service facilities described on the plat or on the document attached to the plat or who otherwise violates this subchapter or a rule or requirement adopted by the commissioners court under this subchapter is subject to a civil penalty of not less than \$500 or more than \$1,000 for each violation and for each day of a continuing violation but not to exceed \$5,000 each day and is required to pay court costs, investigative costs, and attorney's fees for the governmental entity bringing the suit.
- (d) Provides that except as provided by Subsection (e), a person who violates Subsection (a) or (b) is subject to a civil penalty of not less than \$10,000 or more than \$15,000 for each lot conveyed or each subdivision that becomes a nuisance. Requires the person to also pay court costs, investigative costs, and attorney's fees for the governmental entity bringing the suit.
- (e) Provides that a person who violates Subsection (b) is not subject to a fine under Subsection (d) if the person corrects the nuisance not later than the 30th day after the date the person receives notice from the attorney general or a local health authority of the nuisance.
- (f) Provides that, venue for an action under this section is in a district court of Travis County, a district court in the county in which the defendant resides, or a district court in the county in which the violation or threat of violation occurs.
- (g) Provides that a person who holds a real estate broker's or sales agent's license under Chapter 1101, Occupations Code, acting in the person's capacity as a real estate broker or sales agent, other than a person who is a director, officer, or employee of the seller or subdivider or who is otherwise affiliated with the seller or subdivider, is not an agent of a seller or subdivider for purposes of this section.

Sec. 232.220. CRIMINAL PENALTIES. (a) Provides that a subdivider commits an offense if the subdivider knowingly fails to file a plat required by this subchapter. Provides that an offense under this subsection is a Class A misdemeanor.

- (b) Provides that a subdivider who owns a subdivision commits an offense if the subdivider knowingly fails to timely provide for the construction or installation of water or sewer service as required by Section 232.216 or fails to make a reasonable effort to have electric utility service and gas utility service installed by a utility as required by Section 232.216. Provides that an offense under this subsection is a Class A misdemeanor.
- (c) Provides that if it is shown at the trial of an offense under Subsection (a) that the defendant caused five or more residences in the subdivision to be inhabited, the offense is a state jail felony.
- (d) Provides that a subdivider commits an offense if the subdivider allows the conveyance of a lot in the subdivision without the appropriate water and sewer utilities as required by Section 232.216 or without having made a reasonable effort to have electric utility service and gas utility service installed by a utility as required by Section 232.216. Provides that an offense under this section is a Class A misdemeanor. Provides that each lot conveyed constitutes a separate offense.
- (e) Provides that venue for prosecution for a violation under this section is in the county in which any element of the violation is alleged to have occurred or in Travis County.

Sec. 232.221. ENFORCEMENT. (a) Authorizes the attorney general, or the district attorney, criminal district attorney, county attorney with felony responsibilities, or county attorney of the county to take any action necessary in a court of competent jurisdiction on behalf of the state or on behalf of residents to enjoin the violation or threatened violation of the model rules adopted under Section 16.343, Water Code, enjoin the violation or threatened violation of a requirement of this subchapter or a rule adopted by the commissioners court under this subchapter, recover civil or criminal penalties, attorney's fees, litigation costs, and investigation costs, and require platting or replatting under Section 232.224.

- (b) Authorizes the attorney general, at the request of the district or county attorney with jurisdiction, to conduct a criminal prosecution under Section 232.217(h) or 232.220
- (c) Authorizes any resident of the affected subdivision, or the attorney general, district attorney, or county attorney on behalf of a resident, during the pendency of any enforcement action brought, to file a motion against the provider of utilities to halt termination of pre-existing utility services. Prohibits the services from being terminated if the court makes an affirmative finding after hearing the motion that termination poses a threat to public health, safety, or welfare of the residents.
- (d) Provides that this subchapter is subject to the applicable enforcement provisions prescribed by Sections 16.352 (Enforcement of Rules), 16.353 (Injunction), 16.354 (Attorney General Enforcement), and 16.3545 (Venue), Water Code.
- (e) Requires a court having jurisdiction of an enforcement action under this section to dismiss the action if the defendant remedies the violation that is the subject of the enforcement action not later than the 45th day after the date the defendant receives notice of the action and shows good cause for the dismissal.

Sec. 232.222. SUIT BY PRIVATE PERSON IN ECONOMICALLY DISTRESSED AREA. Authorizes a person who purchased or is purchasing a lot after July 1, 1995, in a

subdivision for residential purposes that does not have water and sewer services as required by this subchapter and is located in an economically distressed area, as defined by Section 17.921 (Definitions), Water Code, from a subdivider, to bring suit in the district court in which the property is located or in a district court in Travis County to take certain corrective actions and recover related costs and fees.

Sec. 232.223. CANCELLATION OF SUBDIVISION. (a) Authorizes a subdivider of land to apply to the commissioners court to cancel all or part of the subdivision in the manner provided by Section 232.008 (Cancellation of Subdivision) after notice and hearing as provided by this section.

- (b) Provides that a resident of a subdivision for which the subdivider has applied for cancellation under Subsection (a) has the same rights as a purchaser of land under Section 232.008.
- (c) Requires that the notice required by Section 232.008(c) (relating to providing that Section 232.008 applies only to real property located outside municipalities and the extraterritorial jurisdiction of municipalities) also be published in Spanish in the newspaper of highest circulation and in a Spanish-language newspaper in the county if available.
- (d) Requires the county chief appraiser, not later than the 14th day before the date of the hearing, to by regular and certified mail provide notice containing the information described by Section 232.008(c) to each person who pays property taxes in the subdivision, as determined by the most recent tax roll and each person with an interest in the property.
- (e) Authorizes the commissioners court to require a subdivider to provide the court with the name and last known address of each person with an interest in the property. Provides that, for the purposes of this subsection, a person residing on a lot purchased through an executory contract has an interest in the property.
- (f) Provides that a person who fails to provide information requested under Subsection (e) before the 31st day after the date the request is made is liable to the state for a penalty of \$500 for each week the person fails to provide the information.
- (g) Provides that the commissioners court is authorized to cancel a subdivision only after a public hearing. Requires the commissioners court, at the hearing, to permit any interested person to be heard. Requires the commissioners court, at the conclusion of the hearing, to adopt an order on whether to cancel the subdivision.

Sec. 232.224. REPLATTING. (a) Requires that a subdivision plat accurately reflect the subdivision as it develops. Provides that, if there is any change, either by the intentional act of the subdivider or by the forces of nature, including changes in the size or dimension of lots or the direction or condition of the roads, a plat is required to be revised in accordance with Section 232.225.

(b) Prohibits a lot in a subdivision, except as provided by Subsection (c), from being sold if the lot lacks water and sewer services as required by this subchapter unless the lot is platted or replatted as required by this subchapter. Prohibits a subdivider or agent of a subdivider from transferring a lot through an executory contract or other similar conveyance to evade the requirements of this subchapter. Provides that the prohibition in this subsection includes the sale of a lot by a subdivider who regains possession of a lot previously exempt under Subsection (c) through the exercise of a remedy described in Section 5.064 (Seller's Remedies on Default), Property Code, or for which it is shown at a proceeding brought in the district court in which the property is located that the sale of a lot otherwise exempt under Subsection (c) was made for the purpose of evading the requirements of this subchapter.

- (c) Provides that Subsection (b) does not apply if a seller other than a subdivider or agent of a subdivider resides on the lot.
- (d) Authorizes the attorney general or a district or county attorney with jurisdiction to bring a proceeding under Subsection (b).
- (e) Prohibits existing utility services to a subdivision that is required to be platted or replatted under this section from being terminated under Section 232.211.
- Sec. 232.225. REVISION OF PLAT. (a) Authorizes a person who subdivided land that is subject to the subdivision controls of the county in which the land is located to apply in writing to the commissioners court of the county for permission to revise the subdivision plat filed for record with the county clerk.
 - (b) Requires the court, except as provided by Subsection (c), after the application is filed with the commissioners court, to publish a notice of the application in a newspaper of general circulation in the county. Requires that the notice include a statement of the time and place at which the court will meet to consider the application and to hear protests to the revision of the plat. Requires that the notice be published at least three times during the period that begins on the 30th day and ends on the seventh day before the date of the meeting. Requires the court, if all or part of the subdivided tract has been sold to nondeveloper owners, to also give notice to each of those owners by certified or registered mail, return receipt requested, at the owner's address in the subdivided tract.
 - (c) Provides that if the commissioners court determines that the revision to the subdivision plat does not affect a public interest or public property of any type, including, but not limited to, a park, school, or road, the notice requirements under Subsection (b) do not apply to the application and the commissioners court is required to provide written notice of the application to the owners of the lots that are within 200 feet of the subdivision plat to be revised, as indicated in the most recent records of the central appraisal district of the county in which the lots are located and if the county maintains an Internet website, post notice of the application continuously on the website for at least 30 days preceding the date of the meeting to consider the application until the day after the meeting.
 - (d) Requires the court, during a regular term of the commissioners court, to adopt an order to permit the revision of the subdivision plat if it is shown to the court that the revision will not interfere with the established rights of any owner of a part of the subdivided land or each owner whose rights may be interfered with has agreed to the revision
 - (e) Authorizes a person, if the commissioners court permits the person to revise a subdivision plat, to make the revision by filing for record with the county clerk a revised plat or part of a plat that indicates the changes made to the original plat.
 - (f) Authorizes the commissioners court to impose a fee for filing an application under this section. Requires that the amount of the fee be based on the cost of processing the application, including publishing the notices required under Subsection (b) or (c).
- Sec. 232.226. VARIANCES FROM PLATTING REQUIREMENTS. (a) Authorizes the commissioner court, on request of a subdivider or resident purchaser, to grant a delay or a variance from compliance with Section 232.224 as provided by this section.
 - (b) Authorizes the commissioners court to a delay of two years if the reason for the delay is to install utilities. Authorizes a person to apply for one renewal of a delay under this subsection. Requires a subdivider, to an initial delay under this subsection, to identify the affected utility providers, provide the terms and

conditions on which service may be provided, and provide a certified letter from each utility provider stating that it has the right to serve the area and it will serve the area.

- (c) Authorizes the commissioners court to grant a delay or a variance for a reason other than a reason described by Subsection (b) if it is shown that compliance would be impractical or would be contrary to the health and safety of residents of the subdivision. Requires the commissioners court to issue written findings stating the reasons why compliance is impractical.
- (d) Provides that a delay or a variance granted by the commissioners court is valid only if the commissioners court notifies the attorney general of the delay or variance and the reasons for the delay or variance not later than the 30th day after the date the commissioners court grants the delay or variance.
- (e) Requires the subdivider of land for which a delay is granted under this section, until approved water and sewer services are made available to the subdivision, to provide at no cost to residents 25 gallons of potable water a day for each resident and a suitable container for storing the water and suitable temporary sanitary wastewater disposal facilities.
- Sec. 232.227. VARIANCES FROM PLATTING REQUIREMENTS. (a) Authorizes the commissioners court of a county, on the request of a subdivider who created an unplatted subdivision or a resident purchaser of a lot in the subdivision, to grant a delay or variance from compliance with the subdivision requirements prescribed by Section 232.203(c)(8) or (9), 232.207(1), (2), (3), (4), or (5), or 232.212(c)(2), (3), (5), or (6) or a delay or variance for an individual lot from compliance with the requirements prescribed by the model subdivision rules adopted under Section 16.343, Water Code, for the distance that a structure is required to be set back from roads or property lines or the number of single-family, detached dwellings that are authorized be located on a lot.
 - (b) Provides that if the commissioners court makes a written finding that the subdivider who created the unplatted subdivision no longer owns property in the subdivision, the commissioners court is authorized to grant a delay or variance under this section only if certain conditions are met.
 - (c) Provides that, if the commissioners court makes a written finding that the subdivider who created the unplatted subdivision owns property in the subdivision, the commissioners court is authorized to grant a provisional delay or variance only if the requirements of Subsection (b) are satisfied. Provides that the commissioners court is authorized to issue a final grant of the delay or variance only if the commissioners court has not received objections from the attorney general before the 91st day after the date the commissioners court submits the record of its proceedings to the attorney general as prescribed by Subsection (d).
 - (d) Requires the commissioner court, if the commissioners court grants a delay or variance under this section, to make findings specifying the reason compliance with each requirement is impractical or contrary to the health or safety of residents of the subdivision, keep a record of its proceedings and include in the record documentation of the findings and the information submitted under Subsection (b), and submit a copy of the record to the attorney general.
 - (e) Provides that the failure of the attorney general to comment or object to a delay or variance granted under this section does not constitute a waiver of or consent to the validity of the delay or variance granted.
 - (f) Provides that this section does not affect a civil suit filed against, a criminal prosecution of, or the validity of a penalty imposed on a subdivider for a violation of law, regardless of the date on which the violation occurred.

Sec. 232.228. AMENDING PLAT. Authorizes the commissioners court to approve and issue an amending plat under this subchapter in the same manner, for the same purposes, and subject to the same related provisions as provided by Section 232.011.

Sec. 232.229. APPLICABILITY OF INFRASTRUCTURE REQUIREMENTS TO LOTS UNDEVELOPED FOR 25 YEARS OR MORE. (a) Authorizes the commissioners court by order to implement a process applicable to a subdivision in which 50 percent or more of the lots are undeveloped or unoccupied on or after the 25th anniversary of the date the plat for the subdivision was recorded with the county, and through which the county, to the extent practicable, may apply to the subdivision more current street, road, drainage, and other infrastructure requirements.

- (b) Requires that a regulation or standard adopted by a county under this section be no less stringent than the minimum standards and other requirements under the model rules for safe and sanitary water supply and sewer services adopted under Section 16.343, Water Code, and any other minimum public safety standards that would otherwise be applicable to the subdivision.
- (c) Provides that a regulation or standard adopted by a county under this section applies only to a lot that is owned by an individual, firm, corporation, or other legal entity that directly or indirectly offers lots for sale or lease as part of a common promotional plan in the ordinary course of business, and each regulation or standard is required to expressly state that limitation. Defines "common promotional plan."

SECTION 7. Amends Sections 233.153(d) and (e), Local Government Code, as follows:

- (d) Prohibits this subchapter from being construed to have certain effects, including affecting the application of the provisions of Subchapter B or G, Chapter 232, to land development.
- (e) Makes conforming changes to this subsection.

SECTION 8. Amends Section 12.002(d), Property Code, as follows:

(d) Provides that, in the case of a subdivision located in a county to which Subchapter B or G, Chapter 232, Local Government Code, applies, Subsection (c) (relating to prohibiting a person who subdivides real property from using certain documents) does not apply to using a subdivision's description in a contract to convey real property before the plat or replat of the subdivision is approved and is filed for record with the county clerk if certain conditions are met.

SECTION 9. Amends Section 34.01(e), Tax Code, to require that a notice of sale include certain information, including the statement required by Section 232.215, Local Government Code, if the real property subject to the sale is located in a county subject to Subchapter G, Chapter 232, of that code.

SECTION 10. Amends Section 16.343, Water Code, by amending Subsection (f) and adding Subsection (f-1), as follows:

(f) Provides that, except as may be required by an agreement developed under Chapter 242 (Authority of Municipality and County to Regulate Subdivisions In and Outside Municipality's Extraterritorial Jurisdiction), Local Government Code, and subject to Subsection (f-1), a municipality that has adopted the model rules is authorized to impose the applicable platting requirements of Chapter 212 (Municipal Regulation of Subdivisions and Property Development), Local Government Code, and a county that has adopted the model rules is authorized to impose the applicable platting requirements of Chapter 232, Local Government Code, to real property that is required to be platted or replatted by the model rules under this section.

(f-1) Provides that the model rules do not supersede an exception to a platting requirement prescribed by Subchapter G, Chapter 232, Local Government Code.

SECTION 11. Amends Section 16.350(d), Water Code, as follows:

(d) Provides that a county or municipality that receives funds or financial assistance under Section 15.407 (Facility Engineering in Economically Distressed Areas) of the Water Code or Subchapter K (Assistance to Economically Distressed Areas for Water Supply and Sewer Service Projects), Chapter 17 (Public Funding), of this code is authorized to grant an exemption for a subdivision from the requirements of the model rules only if certain criteria are met, including if the subdivision is located within a county subject to Subchapter G, Chapter 232, Local Government Code and involves four or fewer lots that front an existing street that meets the standards adopted by the county or municipality and does not require the creation of any new street; and may connect to an existing water supply and sewer service located within 50 feet of each lot in the subdivision that meets the standards of the model rules and does not require the extension of water or sewer facilities. Makes nonsubstantive changes.

SECTION 12. Effective date: September 1, 2025.